

STATE OF CALIFORNIA
DEPARTMENT OF MANAGED HEALTH CARE
HEALTH CARE SERVICE PLAN

1

QUARTERLY FINANCIAL REPORTING FORM

Submitted on 2/13/2004 11:38:15 AM

		1
1.	FOR THE QUARTER ENDING:	December 31, 2003
2.	Name:	Community Dental Services, Inc.
3.	File Number:(Enter last three digits) 933-0	170
4.	Date Incorporated or Organized:	May 29, 1979
5.	Date Licensed as a HCSP:	May 6, 1982
6.	Date Federally Qualified as a HCSP:	N/A
7.	Date Commenced Operation:	May 1, 1982
8.	Mailing Address:	PO Box 25096, Santa Ana, CA 92799-5096
9.	Address of Main Administrative Office:	2 MacArthur Place, Suite 700, Santa Ana, CA 92707
10.	Telephone Number:	714-850-3333
11.	HCSP's ID Number:	
12.	Principal Location of Books and Records:	2 MacArthur Place, Suite 700, Santa Ana, CA 92707
13.	Plan Contact Person and Phone Number:	Robert Mathuny 714-850-3333
14.	Financial Reporting Contact Person and Phone Number:	Robert Mathuny 714-850-3333
15.	President:*	Mary-Ellen Hardin
16.	Secretary:*	Paul J. Huston
17.	Chief Financial Officer:*	Robert S. Mathuny
18.	Other Officers:*	
19.		
20.		
21.		
22.	Directors:*	Mary-Ellen Hardin
23.		Dennis R. Hardin, D.D.S.
24.		Michael J. Kluger
25.		Paul J. Huston
26.		Yvonne V. Marsh
27.		
28.		
29.		
30.		
31.		

The officers listed on lines 15 through 17 of the health care service plan noted on line 2, being duly sworn, each for himself or herself, deposes and says that they are the officers of the said health care service plan, and that, for the reporting period stated above, all of the herein assets were the absolute property of the said health care service plan, free and clear from any liens or claims thereon, except as herein stated, and that these financial statements, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said health care service plan as of the reporting period stated above, and of its income and deductions therefrom for the period reported, according to the best of their information, knowledge and belief, respectively.

32.	President	Mary-Ellen Hardin (please type for valid signature)
33.	Secretary	Paul J. Huston (please type for valid signature)
34.	Chief Financial Officer	Robert S. Mathuny (please type for valid signature)
* Show full name (initials not accepted) and indicate by sign (#) those officers and directors who did not occupy the indicated position in the previous statement.		
35.	Check if this is a revised filing, and complete question 7 on page 2: <input type="checkbox"/>	
36.	If all dollar amounts are reported in thousands (000), check here: <input checked="" type="checkbox"/>	

Check My Work.

STATE OF CALIFORNIA
DEPARTMENT OF MANAGED HEALTH CARE
HEALTH CARE SERVICE PLAN

QUARTERLY FINANCIAL REPORTING FORM

SUPPLEMENTAL INFORMATION

		1
1.	Are footnote disclosures attached with this filing?	Yes <input type="button" value="v"/>
2.	Is the attached reporting form filed on a consolidated or combined basis? If "Yes", the plan is required to file consolidating or combining schedules.	No <input type="button" value="v"/>
3.	Is the plan required to file additional information (i.e. parent/affiliate financial statements, claims reports, etc.) that is required by the Department?	No <input type="button" value="v"/>
4.	Have the Restricted Assets changed from the previous quarterly filing? If "yes", complete Schedule A-2 (Restricted Assets).	No <input type="button" value="v"/>
5.	Are there any significant changes reported on Schedule G, Section III?	No <input type="button" value="v"/>
6.	If "yes", describe:	
7.	If this is a revised reporting form, what is/are the reason(s) for the revision?	

STATEMENT AS OF 12-31-2003 OF 933-0170 Community Dental Services, Inc.

REPORT #1 ---- PART A: ASSETS

1	2
CURRENT ASSETS:	Current Period
1. Cash and Cash Equivalents	339
2. Short-Term Investments	0
3. Premiums Receivable - Net	403
4. Interest Receivable	0
5. Shared Risk Receivables - Net	0
6. Other Health Care Receivables - Net	25,908
7. Prepaid Expenses	458
8. Secured Affiliate Receivables - Current	0
9. Unsecured Affiliate Receivables - Current	0
10. Aggregate Write-Ins for Current Assets	1,615
11. TOTAL CURRENT ASSETS (Items 1 to 10)	28,723
OTHER ASSETS:	
12. Restricted Assets	50
13. Long-Term Investments	0
14. Intangible Assets and Goodwill - Net	1,138
15. Secured Affiliate Receivables - Long-Term	0
16. Unsecured Affiliate Receivables - Past Due	0
17. Aggregate Write-Ins for Other Assets	531
18. TOTAL OTHER ASSETS (Items 12 to 17)	1,719
PROPERTY AND EQUIPMENT	
19. Land, Building and Improvements	2,754
20. Furniture and Equipment - Net	2,077
21. Computer Equipment - Net	477
22. Leasehold Improvements -Net	1,697
23. Construction in Progress	0
24. Software Development Costs	0
25. Aggregate Write-Ins for Other Equipment	0
26. TOTAL PROPERTY AND EQUIPMENT (Items 19 to 25)	7,005
27. TOTAL ASSETS	37,447
DETAILS OF WRITE-INS AGGREGATED AT ITEM 10 FOR CURRENT ASSETS	
1001. Other Receivables	53
1002. Inventory	1,562
1003.	
1004.	
1098. Summary of remaining write-ins for Item 10 from overflow page	
1099. TOTALS (Items 1001 thru 1004 plus 1098)	1,615
DETAILS OF WRITE-INS AGGREGATED AT ITEM 17 FOR OTHER ASSETS	
1701. Deposits	531
1702.	
1703.	
1704.	
1798. Summary of remaining write-ins for Item 17 from overflow page	
1799. TOTALS (Items 1701 thru 1704 plus 1798)	531
DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR OTHER EQUIPMENT	
2501.	
2502.	
2503.	
2504.	
2598. Summary of remaining write-ins for Item 25 from overflow page	
2599. TOTALS (Items 2501 thru 2504 plus 2598)	0

STATEMENT AS OF 12-31-2003 OF 933-0170 Community Dental Services, Inc.

REPORT #1 ---- PART B: LIABILITIES AND NET WORTH

1	2	3	4
CURRENT LIABILITIES:	Current Period		
	Contracting	Non-Contracting	Total
1. Trade Accounts Payable	1,980	XXX	1,980
2. Capitation Payable	0	XXX	0
3. Claims Payable (Reported)	0		0
4. Incurred But Not Reported Claims	15		15
5. POS Claims Payable (Reported)	0		0
6. POS Incurred But Not Reported Claims	0		0
7. Other Medical Liability	0		0
8. Unearned Premiums	204	XXX	204
9. Loans and Notes Payable	5,305	XXX	5,305
10. Amounts Due To Affiliates - Current	0	XXX	0
11. Aggregate Write-Ins for Current Liabilities	5,528	0	5,528
12. TOTAL CURRENT LIABILITIES (Items 1 to 11)	13,032	0	13,032
OTHER LIABILITIES:			
13. Loans and Notes Payable (Not Subordinated)	8,276	XXX	8,276
14. Loans and Notes Payable (Subordinated)	35,791	XXX	35,791
15. Accrued Subordinated Interest Payable	9,619	XXX	9,619
16. Amounts Due To Affiliates - Long Term	0	XXX	0
17. Aggregate Write-Ins for Other Liabilities	324	XXX	324
18. TOTAL OTHER LIABILITIES (Items 13 to 17)	54,010	XXX	54,010
19. TOTAL LIABILITIES	67,042	0	67,042
NET WORTH			
20. Common Stock	XXX	XXX	0
21. Preferred Stock	XXX	XXX	0
22. Paid In Surplus	XXX	XXX	-8,053
23. Contributed Capital	XXX	XXX	0
24. Retained Earnings (Deficit)/Fund Balance	XXX	XXX	-21,542
25. Aggregate Write-Ins for Other Net Worth Items	XXX	XXX	0
26. TOTAL NET WORTH (Items 20 to 25)	XXX	XXX	-29,595
27. TOTAL LIABILITIES AND NET WORTH	XXX	XXX	37,447
DETAILS OF WRITE-INS AGGREGATED AT ITEM 11 FOR CURRENT LIABILITIES			
1101. Accrued Liabilities	724		724
1102. Accrued Payroll	2,128		2,128
1103. Accrued Income Taxes	246		246
1104. Other Current Liabilities	2,430		2,430
1198. Summary of remaining write-ins for Item 11 from overflow page			0
1199. TOTALS (Items 1101 thru 1104 plus 1198)	5,528	0	5,528
DETAILS OF WRITE-INS AGGREGATED AT ITEM 17 FOR OTHER LIABILITIES			
1701. Other Liabilities	324	XXX	324
1702.		XXX	0
1703.		XXX	0
1704.		XXX	0
1798. Summary of remaining write-ins for Item 17 from overflow page		XXX	0
1799. TOTALS (Items 1701 thru 1704 plus 1798)	324	XXX	324
DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR OTHER NET WORTH ITEMS			
2501.	XXX	XXX	
2502.	XXX	XXX	
2503.	XXX	XXX	
2504.	XXX	XXX	
2598. Summary of remaining write-ins for Item 25 from overflow page	XXX	XXX	
2599. TOTALS (Items 2501 thru 2504 plus 2598)	XXX	XXX	0

STATEMENT AS OF 12-31-2003 OF 933-0170 Community Dental Services, Inc.

REPORT #2: REVENUE, EXPENSES AND NET WORTH

	1	2
	Current Period	Year-To-Date
REVENUES:		
1. Premiums (Commercial)	1,337	5,486
2. Capitation	2,496	8,401
3. Co-payments, COB, Subrogation	13,352	53,477
4. Title XVIII - Medicare	0	0
5. Title XIX - Medicaid	0	0
6. Fee-For-Service	2,193	7,609
7. Point-Of-Service (POS)	0	0
8. Interest	0	0
9. Risk Pool Revenue	0	0
10. Aggregate Write-Ins for Other Revenues	2,844	14,540
11. TOTAL REVENUE (Items 1 to 10)	22,222	89,513
EXPENSES:		
Medical and Hospital		
12. Inpatient Services - Capitated	0	0
13. Inpatient Services - Per Diem	0	0
14. Inpatient Services - Fee-For-Service/Case Rate	0	0
15. Primary Professional Services - Capitated	0	0
16. Primary Professional Services - Non-Capitated	0	0
17. Other Medical Professional Services - Capitated	0	0
18. Other Medical Professional Services - Non-Capitated	8,156	32,721
19. Non-Contracted Emergency Room and Out-of-Area Expense, not including POS	0	0
20. POS Out-Of-Network Expense	0	0
21. Pharmacy Expense - Capitated	0	0
22. Pharmacy Expense - Fee-for-Service	0	0
23. Aggregate Write-Ins for Other Medical and Hospital Expenses	9,609	38,619
24. TOTAL MEDICAL AND HOSPITAL (Items 12 to 23)	17,765	71,340
Administration		
25. Compensation	1,006	4,201
26. Interest Expense	1,056	4,308
27. Occupancy, Depreciation and Amortization	85	416
28. Management Fees	0	0
29. Marketing	57	158
30. Affiliate Administration Services	0	0
31. Aggregate Write-Ins for Other Administration	1,353	5,074
32. TOTAL ADMINISTRATION (Items 25 to 31)	3,557	14,157
33. TOTAL EXPENSES	21,322	85,497
34. INCOME (LOSS)	900	4,016
35. Extraordinary Item	0	0
36. Provision for Taxes	32	-3
37. NET INCOME (LOSS)	868	4,019
NET WORTH:		
38. Net Worth Beginning of Period	-33,971	-34,921
39. Audit Adjustments	0	0
40. Increase (Decrease) in Common Stock	0	0
41. Increase (Decrease) in Preferred Stock	252	2,487
42. Increase (Decrease) in Paid in Surplus	-252	-2,487
43. Increase (Decrease) in Contributed Capital	0	0
44. Increase (Decrease) in Retained Earnings:	0	0
45. Net Income (Loss)	868	4,019
46. Dividends to Stockholders	0	0
47. Aggregate Write-Ins for Changes in Retained Earnings	3,508	1,307
48. Aggregate Write-Ins for Changes in Other Net Worth Items	0	0
49. NET WORTH END OF PERIOD (Items 38 to 48)	-29,595	-29,595

STATEMENT AS OF 12-31-2003 OF 933-0170 Community Dental Services, Inc.

REPORT #2: REVENUE, EXPENSES AND NET WORTH

1	2	3
	Current Period	Year-to-Date
DETAILS OF WRITE-INS AGGREGATED AT ITEM 10 FOR OTHER REVENUES		
1001. Fee For Service - Medicaid (See Notes)	2,844	14,540
1002.	0	0
1003.	0	0
1004.	0	0
1005.	0	0
1006.	0	0
1098. Summary of remaining write-ins for Item 10 from overflow page		
1099. TOTALS (Items 1001 thru 1006 plus 1098)	2,844	14,540
DETAILS OF WRITE-INS AGGREGATED AT ITEM 23 FOR OTHER MEDICAL AND HOSPITAL EXPENSES		
2301. Other Medical	9,302	37,405
2302. Occupancy, Depreciation, and Amortization	307	1,214
2303.	0	0
2304.	0	0
2305.	0	0
2306.	0	0
2398. Summary of remaining write-ins for Item 23 from overflow page		
2399. TOTALS (Items 2301 thru 2306 plus 2398)	9,609	38,619
DETAILS OF WRITE-INS AGGREGATED AT ITEM 31 FOR OTHER ADMINISTRATIVE EXPENSES		
3101. Other Administrative Expenses	1,207	4,795
3102. Other Income/Expense	146	279
3103.	0	0
3104.	0	0
3105.	0	0
3106.	0	0
3198. Summary of remaining write-ins for Item 31 from overflow page		
3199. TOTALS (Items 3101 thru 3106 plus 3198)	1,353	5,074
DETAILS OF WRITE-INS AGGREGATED AT ITEM 47 FOR CHANGES IN RETAINED EARNINGS		
4701. Non Cash Dividends Adj Accrued to Common Stockholders	3,509	4,068
4702. Prior Year Adj	0	-345
4703. Other	-1	-2,416
4704.	0	0
4705.	0	0
4706.	0	0
4798. Summary of remaining write-ins for Item 47 from overflow page		
4799. TOTALS (Items 4701 thru 4706 plus 4798)	3,508	1,307
DETAILS OF WRITE-INS AGGREGATED AT ITEM 48 FOR CHANGES OF OTHER NET WORTH ITEMS		
4801.	0	0
4802.	0	0
4803.	0	0
4804.	0	0
4805.	0	0
4806.	0	0
4898. Summary of remaining write-ins for Item 48 from overflow page		
4899. TOTALS (Items 4801 thru 4806 plus 4898)	0	0

REPORT #3: STATEMENT OF CASH FLOWS

1	2	3
	Current Period	Year-to-Date
CASH FLOW PROVIDED BY OPERATING ACTIVITIES		
1. Group/Individual Premiums/Capitation	3,365	11,586
2. Fee-For-Service	4,448	18,405
3. Title XVIII - Medicare Premiums	0	0
4. Title XIX - Medicaid Premiums	0	0
5. Investment and Other Revenues	0	0
6. Co-Payments, COB and Subrogation	11,724	50,740
7. Medical and Hospital Expenses	-16,503	-67,643
8. Administration Expenses	-2,505	-8,221
9. Federal Income Taxes Paid	0	-383
10. Interest Paid	-1,022	-3,919
11. NET CASH PROVIDED BY OPERATING ACTIVITIES	-493	565
CASH FLOW PROVIDED BY INVESTING ACTIVITIES		
12. Proceeds from Restricted Cash and Other Assets	0	0
13. Proceeds from Investments	0	0
14. Proceeds for Sales of Property, Plant and Equipment	0	0
15. Payments for Restricted Cash and Other Assets	0	0
16. Payments for Investments	0	0
17. Payments for Property, Plant and Equipment	-354	-127
18. NET CASH PROVIDED BY INVESTING ACTIVITIES	-354	-127
CASH FLOW PROVIDED BY FINANCING ACTIVITIES:		
19. Proceeds from Paid in Capital or Issuance of Stock	0	0
20. Loan Proceeds from Non-Affiliates	19,543	80,838
21. Loan Proceeds from Affiliates	0	0
22. Principal Payments on Loans from Non-Affiliates	-18,575	-80,357
23. Principal Payments on Loans from Affiliates	0	0
24. Dividends Paid	0	0
25. Aggregate Write-Ins for Cash Provided by Financing Activities	0	0
26. NET CASH PROVIDED BY FINANCING ACTIVITIES	968	481
27. NET INCREASE (DECREASE) IN CASH (Items 11, 18 & 26)	121	919
28. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE QUARTER	218	-580
29. CASH AND CASH EQUIVALENTS AT THE END OF THE QUARTER	339	339
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
30. Net Income	868	4,019
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
31. Depreciation and Amortization	497	2,001
32. Decrease (Increase) in Receivables	-2,525	-3,471
33. Decrease (Increase) in Prepaid Expenses	18	-475
34. Decrease (Increase) in Affiliate Receivables	0	0
35. Increase (Decrease) in Accounts Payable	-4,881	-6,233
36. Increase (Decrease) in Claims Payable and Shared Risk Pool	0	0
37. Increase (Decrease) in Unearned Premium	34	-51
38. Aggregate Write-Ins for Adjustments to Net Income	416	-309
39. TOTAL ADJUSTMENTS (Items 31 through 38)	-6,441	-8,538
40. NET CASH PROVIDED BY OPERATING ACTIVITIES (Item 30 adjusted by Item 39 must agree to Item 11)	-5,573	-4,519
DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR CASH FLOW PROVIDED BY FINANCING ACTIVITIES		
2501.	0	0
2502.	0	0
2503.	0	0
2598. Summary of remaining write-ins for Item 25 from overflow page		
2599. TOTALS (Items 2501 thru 2503 plus 2598)	0	0
DETAILS OF WRITE-INS AGGREGATED AT ITEM 38 FOR ADJUSTMENTS TO NET INCOME		
3801. Other Assets	-6	-184
3802. Other Liabilities	442	-389
3803. Other Receivables	-20	264
3898. Summary of remaining write-ins for Item 38 from overflow page		
3899. TOTALS (Items 3801 thru 3803 plus 3898)	416	-309

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REPORT #4: ENROLLMENT AND UTILIZATION TABLE**TOTAL ENROLLMENT**

1 Source of Enrollment	2 Total Enrollees At End of Previous Period	3 Additions During Period	4 Terminations During Period	5 Total Enrollees at End of Period	6 Cumulative Enrollee Months for Period	Total Member Ambulatory Encounters for Period			10 Total Patient Days Incurred	11 Annualized Hospital Days/1000	12 Average Length of Stay
						7 Physicians	8 Non-Physicians	9 Total			
1. Group (Commercial)	113,919	9,987	-162	124,068				0			
2. Medicare Risk	0	0	0	0				0			
3. Medi-Cal Risk	0	0	0	0				0			
4. Individual	9,090	2,530	-762	12,382				0			
5. Point of Service	0	0	0	0				0			
6. Aggregate write-ins for Other	0	0	0	0	0	0	0	0	0		
7. Total Membership	123,009	12,517	-924	136,450	0	0	0	0	0		
DETAILS OF WRITE-INS AGGREGATED AT ITEM 6 FOR OTHER SOURCES OF ENROLLMENT											
601. Small Group				0				0			
602. Healthy Families				0				0			
603. AIM				0				0			
604. Medicare Cost				0				0			
605. ASO				0		N/A	N/A	N/A	N/A	N/A	N/A
606. PPO				0				0			
607.				0				0			
608.				0				0			
609.				0				0			
610.				0				0			
611.				0				0			
612.				0				0			
Summary of remaining write-ins for 698. Item 6 from overflow page				0				0			
Totals (lines 601 through 612 plus 699, 698) (Line 6 above)	0	0	0	0	0	0	0	0	0		

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SCHEDULE A-1 (CASH)

1	2	3
Name of Depository (List all accounts even if closed during the period)	Account Number	Balance*
1. Wells Fargo Depository	415-9286194	105
2. Pacific Marine Credit Union	1026778	1
3. Fort Hood Depository	000115796	0
4. Comerica Bank	various	231
5.		
6.		
7.		
8.		
9. Total Cash on Deposit		337
10. Cash on Hand (Petty Cash)		2
11. Total Cash on Hand and on Deposit (Report #1, Part A, Line 1)		339

SCHEDULE A-2 RESTRICTED ASSETS

1	2	3
Name of Depository (List all accounts even if closed during period)	Account Number	Balance*
12. Comerica - CDS CD	4228-110-001	50
13.		
14.		
15.		
16.		
17.		
18.		
19. Total Restricted Assets		50

* Indicate the Balance Per the HMO's Records

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STATEMENT AS OF 12-31-2003 OF 933-0170 Community Dental Services, Inc.

SCHEDULE C - PREMIUMS RECEIVABLE (Other than Affiliates)

Individually list all debtors (commercial only) with account balances greater than 5% of gross Premiums Receivable. Group the total of all other premiums receivables and enter the total on the line titled, "Aggregate Accounts Not Individually Listed."

	1 Name of Debtor	2 1-30 Days	3 31-60 Days	4 61-90 Days	5 Over 90 Days	6 Total
1.	Service Employees International Union	378	0	0	0	378
2.	Other	25	1	0	0	26
3.						0
4.						0
5.						0
6.						0
7.						0
8.						0
9.						0
10.						0
11.						0
12.						0
13.						0
14.						0
15.						0
16.						0
17.						0
18.						0
19.						0
20.						0
21.						0
22.						0
23.						0
24.						0
25.						0
26.						0
27.						0
28.						0
29.						0
30.						0
31.						0
32.						0
33.						0
34.						0
35.						0
36.						0
37.						0
38.						0
39.						0
40.						0
41.						0
42.						0
43.						0
44.						0
45.						0
46.						0
47.						0
48.						0
49.						0
50.						0
51.						0
52.						0
53.						0
54.	Aggregate Accounts Not Individually Listed					0
55.	Total	403	1	0	0	404

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STATEMENT AS OF 12-31-2003 OF 933-0170 Community Dental Services, Inc.

SCHEDULE D
HEALTH CARE RECEIVABLES &
AMOUNTS DUE FROM PARENT, SUBSIDIARIES, AND AFFILIATES

Individually list all debtors with account balances greater than 10% of gross Receivables. Group the total of all other receivables and enter the total on the line titled, "Aggregate Accounts Not Individually Listed."

	1 Name of Debtor	2 1-30 Days	3 31-60 Days	4 61-90 Days	5 Over 90 Days	6 Total
1.	Not Applicable					0
2.						0
3.						0
4.						0
5.						0
6.						0
7.						0
8.						0
9.						0
10.						0
11.						0
12.						0
13.						0
14.						0
15.						0
16.						0
17.						0
18.						0
19.						0
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21.						0
22.						0
23.						0
24.						0
25.						0
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31.						0
32.						0
33.						0
34.						0
35.						0
36.						0
37.						0
38.						0
39.						0
40.						0
41.						0
42.						0
43.						0
44.						0
45.						0
46.						0
47.						0
48.						0
49.						0
50.						0
51.						0
52.						0
53.						0
54.	Aggregate Accounts Not Individually Listed					0
55.	Total	0	0	0	0	0

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STATEMENT AS OF 12-31-2003 OF 933-0170 Community Dental Services, Inc.

SCHEDULE F - ACCOUNTS PAYABLE

Individually list all creditors with account balances greater than 5% of total trade accounts payable. Group the total of all other payables and enter the total on the line titled, "Aggregate Accounts Not Individually Listed - Due." Report accounts payable from the initial date of billing or due date under contract.

1	2	3	4	5	6	7
Name of Debtor	1-30 Days	31-60 Days	61-90 Days	91-120 Days	Over 120 Days	Total
1.						0
2. Aggregate Accounts not Individually Listed-Due	729	809	290	152	0	1,980
3.						0
4.						0
5.						0
6.						0
7.						0
8.						0
9.						0
10.						0
11.						0
12.						0
13.						0
14.						0
15.						0
16.						0
17.						0
18.						0
19.						0
20.						0
21.						0
22.						0
23. Aggregate Accounts Not Individually Listed - Due						0
24. Total	729	809	290	152	0	1,980

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SCHEDULE G - UNPAID CLAIMS ANALYSIS
SECTION I - CLAIMS UNPAID

	1	2	3
Type of Claim	Reported Claims in Process of Adjustment	Estimated Incurred but Unreported	Total - Unpaid Claims (Columns 4+5 of Section II)
1. Inpatient Claims			0
2. Physician Claims			0
3. Referral Claims		15	15
4. Other Medical			0
5. TOTAL	0	15	15

SECTION II - ANALYSIS OF CLAIMS UNPAID - PREVIOUS YEAR (FILE ANNUAL ONLY)

1 Type of Claim	Claims Paid During the Fiscal Year		Unpaid Claims During the Fiscal Year		6 Total Claims (Paid and Unpaid) for the Previous Fiscal Year (2+4)	7 Estimated Liability of Unpaid Claims Prior to the first day of the Prior Year
	2 On Claims Incurred Prior to the first day of the Current Fiscal Year	3 On Claims Incurred During the Fiscal Year	4 On Claims Unpaid Prior to the first day of the Previous Fiscal Year	5 On Claims Incurred During the Year		
6. Inpatient Claims					0	
7. Physician Claims					0	
8. Referral Claims					0	
9. Other Medical					0	
10. TOTAL	0	0	0	0	0	0

SECTION III - INVENTORY OF CLAIMS TO BE PROCESSED*

1 Month Ending	2 Beginning Balance Number of Claims in inventory on the 1st of each month	3 Add - Claims Received during the month	4 Deduct - Claims paid during the month	5 Deduct - Claims denied during the month	6 Add/Deduct - Adjustments	7 Ending Balance Number of claims in inventory at the end of the month
11.						
12. October 31, 2003	7	4	6			5
13. November 30, 2003	5	7	5			7
14. December 31, 2003	7	7	6			8
15.						0
16.						0
17.						0
18.						0
19.						0
20.						0
21.						0
22.						0
23.						0

* Describe any significant changes reported on Schedule G, Section III in the Supplemental Schedule (Page 2).

**

STATEMENT AS OF 12-31-2003 OF 933-0170 Community Dental Services, Inc.

SCHEDULE H - AGING OF ALL CLAIMS

Age all claims on hand at the end of each month. Use the date of receipt to determine the number of days the claims is outstanding. The amount reported in Column 6 should equal the amount Reported on Schedule G, Section III, Column 7.

	1	2	3	4	5	6
	Month Ending	1-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total
1.						0
2.						0
3.						0
4.						0
5.						0
6.						0
7.						0
8.						0
9.						0
10.						0
11.						0
12.						0
13.						0

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STATEMENT AS OF 12-31-2003 OF 933-0170 Community Dental Services, Inc.

SCHEDULE I - ANALYSIS OF TOTAL MEDICAL LIABILITY TO ACTUAL CLAIMS PAID

Using the Plan's Lag Tables, complete the following table. Provide claim information the current quarter and the previous seven quarters. An actuarial certification may be submitted in lieu of this schedule.

Reported Accrual				
1	2	3	4	5
Quarter Ending Date	Total Medical Liability*	Amount Paid-To-Date	Difference - Column (2-3)	Outstanding Liability (Based on plan's lag
1. September 30, 2003	15	XXX	15	
2. Previous Quarter			0	
3. Previous 2 Quarters			0	
4. Previous 3 Quarters			0	
5. Previous 4 Quarters			0	
6. Previous 5 Quarters			0	
7. Previous 6 Quarters			0	
8. Previous 7 Quarters			0	

* Should tie to Report #1, Part B, Columns 1 & 2, Lines 3 through 7.

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NOTES TO FINANCIAL STATEMENTS	
1.	Report # 2, Line 1001 - This revenue is derived from treatment of medicaid enrollees, and
2.	as a result, the Company firmly believes that this revenue be more fairly viewed as
3.	non-Fee-For-Service revenue. Any other treatment is considered to be prejudicial to the
4.	nature of the service provided.
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STATEMENT AS OF 12-31-2003 OF 933-0170 Community Dental Services, Inc.

KNOX-KEENE
SUPPLEMENTAL INFORMATION
PURSUANT TO SECTIONS 1300.84.06, 1300.84.2 AND 1374.68

	1	2	3	4	5
A.	Explanation of the method of calculating the provision for incurred and unreported claims:				
1.					
B.	Accounts and Notes Receivable from officers, directors, owners or affiliates, as detailed below:				
	Name of Debtor	Nature of Relationship	Nature of Receivable	Amount	Terms
2.					
3.					
4.					
5.					
6.					
C.	Donated materials or services received by the reporting entity for the period of the financial statements, as detailed below:				
	Donor's Name	Affiliation with Reporting Entity	Valuation Method	Amount	
7.					
8.					
9.					
10.					
11.					
D.	Forgiven debt or obligations, as detailed below:				
	Creditor's Name	Affiliation with Reporting Entity	Summary of How Obligation Arose	Amount	
12.					
13.					
14.					
15.					
E.	Calculation of Tangible Net Equity (TNE) and Required TNE in accordance with Section 1300.76 of the Rules:				
16.	Net Equity			\$	-29,595
17.	Add: Subordinated Debt			\$	51,913
18.	Less: Receivables from officers, directors, and affiliates			\$	
19.	Intangibles			\$	1,138
20.	Tangible Net Equity (TNE)			\$	21,180
21.	Required Tangible Net Equity (See Page 22)			\$	2,319
22.	TNE Excess (Deficiency)			\$	18,861
F.	Percentage of administrative costs to revenue obtained from subscribers and enrollees:				
23.	Revenue from subscribers and enrollees			\$	2,844
24.	Administrative Costs			\$	320
25.	Percentage				11
26.	The amount of health care expenses incurred during the six month period immediately preceding the date of the report which were or will be paid to noncontracting providers or directly reimbursed to subscribers and enrollees:			\$	60
27.	Total costs for health care services for the immediately preceding six months:			\$	53,608
28.	Percentage				0

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<p>G. If the amount of health care expenses incurred during the six month period immediately preceding the date of the report which <u>were or will be</u> paid to noncontracting providers or directly reimbursed to subscribers and enrollees exceeds 10% of the total costs for health care services for the immediately preceding six months, the following information, determined as of the date of the reports, shall be provided:</p>		
29. Amount of all claims for noncontracting provider services received for reimbursement but not yet processed:	\$	
30. Amount of all claims for noncontracting provider services denied for reimbursement during the previous 45 days:	\$	
31. Amount of all claims for noncontracting provider services approved for reimbursement but not yet paid:	\$	
32. An estimate of the amount of claims for noncontracting provider services incurred, but not reported:	\$	
33. Compliance with Section 1377(a) as determined in accordance with such section, as follows:		
34. Cash & cash equivalents maintained	\$	
35. Noncontracting provider claims (aggregate of total of items 29 - 32 above)	\$	0
36. Cash & cash equivalents reported to be maintained (120% x Line 35)	\$	0
37. Deposit required (100% of Line 36)	\$	0
38. Excess (deficient) reserves (Line 34 - Line 37)	\$	0
Percentage of premium revenue earned from point-of-service plan contracts:		
39. Premium revenue earned from point-of-service plan contracts	\$	
40. Total premium revenue earned	\$	
41. Percentage		0
Percentage of total health care expenditures incurred for enrollees for out-of-network services for point-of-service enrollees:		
42. Health care expenditures for out-of-network services for point-of-service enrollees	\$	
43. Total health care expenditures	\$	
44. Percentage		0
45. Point-of-Service Enrollment at end of period		
Total Ambulatory encounters for period for point-of-service enrollees:		
46. Physician		
47. Non-Physician		
48. Total		0
49. Total Patient Days Incurred for Point-of-Service enrollees		
50. Annualized Hospital Days/1000 for Point-of-Service enrollees		
51. Average Length of Stay for Point of Service enrollees		
52. Compliance with Section 1374.68(a) as follows:		
53. Current Monthly Claims Payable for out-of-network coverage or services provided under Point-of-Service Contracts:	\$	
54. Current monthly incurred but not reported claims balance for out-of-network coverage or services provided under Point-of-Service contracts	\$	
55. Total	\$	0
56. Total times 120%	\$	0
57. Deposit (Greater of Line 56 or minimum of \$200,000)	\$	

STATEMENT AS OF 12-31-2003 OF 933-0170 Community Dental Services, Inc.

REQUIRED TANGIBLE NET EQUITY (TNE) CALCULATION:

TNE required must be equal to the GREATER of "A" "B" or "C" below (See Rule 1300.76)

		Full Service Plans		Specialized Plans	
		1		2	
A.	Minimum TNE Requirement	\$ 1,000,000		\$ 50,000	
B.	REVENUES:				
1.	2% of the first \$150 million of annualized premium revenues	\$		\$	
	Plus				
2.	1% of annualized premium revenues in excess of \$150 million	\$		\$	
3.	Total	\$ 0		\$ 0	
C.	HEALTHCARE EXPENDITURES:				
4.	8% of the first \$150 million of annualized health care expenditures, except those paid on a capitated or managed hospital basis.	\$		\$ 600,000	
	Plus				
5.	4% of annualized health care expenditures in excess of \$150 million except those paid on a capitated or managed hospital payment basis.	\$		\$ 1,719,348	
	Plus				
6.	4% of the annualized hospital expenditures paid on a managed hospital payment basis.	\$		\$	
7.	Total	\$ 0		\$ 2,319,348	
8.	Required "TNE" - Greater of "A" "B" or "C"	\$		\$	

**KNOX -KEENE
SUPPLEMENTAL INFORMATION
PURSUANT TO SECTIONS 1374.64**

POINT OF SERVICE TANGIBLE NET EQUITY CALCULATION

Calculation of Tangible Net Equity and required Tangible Net Equity in accordance with Section 1374.64:

	1	
1. Net Equity	\$	-29,595
2. Add: Subordinated Debt	\$	
3. Less: Receivables from officers, directors, and affiliates	\$	
4. Intangibles	\$	
5. Tangible Net Equity (TNE)	\$	-29,595
6. Required Tangible Net Equity (From Line 10 or 13 below)	\$	
7. TNE Excess (Deficiency)	\$	-29,595
ADJUSTED MINIMUM TANGIBLE NET EQUITY CALCULATION (Complete Section I or II):		
I. Plan is required to have and maintain TNE as required by Rule 1300.76 (a)(1) or (2):		
8. Minimum TNE as calculated under Rule 1300.76 (a)(1) or (2)	\$	
9. 10% of annualized health care expenditures for out-of-network service for point-of-service enrollees	\$	
10. Add lines 8 and 9	\$	0
II. Plan is required to have and maintain TNE as required by Rule 1300.76 (a)(3):		
<u>PART A</u>		
11. Minimum TNE as recalculated to exclude annualized healthcare expenditures for out-of-network services for point-of-service enrollees (attach worksheet Page 24)	\$	
12. 10% of annualized health care expenditures for out-of-network services for point-of-service enrollees	\$	
13. Add lines 11 and 12	\$	0
III. MINIMUM TNE REQUIREMENT TO DETERMINE MONTHLY REPORTING		
14. Line 5 (above)	\$	-29,595
15. Multiply Line 6 (above) by 130%	\$	0
16. Difference (Line 14 - Line 15)	\$	-29,595
If Line 14 is less than Line 15, then monthly reporting is required		

STATEMENT AS OF 12-31-2003 OF 933-0170 Community Dental Services, Inc.

WORKSHEET FOR ADJUSTED TANGIBLE NET EQUITY CALCULATION

	1 Full Service Plans	2 Specialized Plans
1. Health care expenditures for period	\$ <input type="text"/>	\$ <input type="text"/>
Less:		
2. Capitated or managed hospital payment basis expenditures	<input type="text"/>	<input type="text"/>
3. Health care expenditures for out-of-network services for point-of-service enrollees	<input type="text"/>	<input type="text"/>
4. Result	<input type="text" value="0"/>	<input type="text" value="0"/>
5. Annualized	<input type="text"/>	<input type="text"/>
6. Reduce to maximum of \$150 million	<input type="text"/>	<input type="text"/>
7. Multiply by 8%	\$ <input type="text" value="0"/>	\$ <input type="text" value="0"/>
Plus		
8. Annualized health care expenditures except those paid on a capitated or managed hospital payment basis and excluding health care expenditures for out-of-network services for point-of-service enrollees	\$ <input type="text"/>	\$ <input type="text"/>
9. Less \$150 million	<input type="text"/>	<input type="text"/>
10. Multiply by 4%	\$ <input type="text" value="0"/>	\$ <input type="text" value="0"/>
Plus		
11. Annualized hospital expenditures paid on a managed hospital payment basis and excluding health care expenditures for out-of-network services for point-of-service enrollees	\$ <input type="text"/>	\$ <input type="text"/>
12. Multiply by 4%	\$ <input type="text" value="0"/>	\$ <input type="text" value="0"/>
13. Total	\$ <input type="text" value="0"/>	\$ <input type="text" value="0"/>

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